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BEFORE THE ARIZONA CORPORATION COMMISSION
Arizona Corporation Commission

COMMISSIONERS

DOCKETED

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JEFF HATCH-MILLER, Chairman
WILLIAM A. MUNDELL
MIKE GLEASON
KRISTIN K. MAYES
BARRY WONG

DOCKETED BY

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AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF
ARIZONA WATER COMPANY FOR AN
EXTENSION OF ITS EXISTING CERTIFICATE
OF CONVENIENCE AND NECESSITY.

DOCKET NO. W-01445A-06-0199

IN THE MATTER OF THE APPLICATION OF
PALO VERDE UTILITIES COMPANY FOR AN
EXTENSION OF ITS EXISTING CERTIFICATE
OF CONVENIENCE AND NECESSITY.

DOCKET NO. SW-03575A-05-0926

IN THE MATTER OF THE APPLICATION OF
SANTA CRUZ WATER COMPANY FOR AN
EXTENSION OF ITS CERTIFICATE OF ITS
EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY.

DOCKET NO. W-03576A-05-0926

AMENDED
PROCEDURAL ORDER

BY THE COMMISSION:

On December 28, 2005, Palo Verde Utilities Company ("Palo Verde") and Santa Cruz Water Company ("Santa Cruz") (collectively, "Global") filed an application with the Arizona Corporation Commission ("Commission") for an extension of their Certificates of Convenience and Necessity ("Certificate") in Docket Nos. SW-03575A-05-0926 and W-03576A-05-0926.

On March 29, 2006, Arizona Water Company ("AWC") filed an application with the Commission to extend its Certificate in Docket No. W-01445A-06-0199. On this same day, AWC requested to intervene in Docket Nos. SW-03575A-05-0926 and W-03576A-05-0926. AWC's request for intervention was granted by procedural order on April 12, 2006.

On April 7, 2006, Palo Verde and Santa Cruz filed an application to intervene in Docket No. W-01445A-06-0199.

On April 24, 2006, by Procedural Order, Palo Verde and Santa Cruz were granted intervention and the above-captioned matters were consolidated for purposes of hearing.

On April 27, 2006, Anderson & Miller 694, LLP filed a Motion to Intervene.

1 On April 28, 2006, CHI Construction Company ("CHI"), CP Water Company ("CP") and
2 Anderson & Barnes 580, LLC ("Anderson & Barnes") filed Motions to Intervene.

3 On May 2, 2006, KEJE Group, LLC ("KEJE") filed a Motion to Intervene.

4 On May 3, 2006, Anderson & Val Vista 6, LLC ("Anderson & Val Vista") filed a Motion to
5 Intervene.

6 On May 11, 2006, by Procedural Order, Anderson & Miller, Anderson & Barnes, CHI and CP
7 were granted intervention.

8 On May 18, 2006, KEJE and Anderson & Val Vista were granted intervention.

9 On May 18, 2006, Ridgeview Utility Company, Picacho Water Company, Lago Del Oro
10 Water Company and Santa Rosa Water Company (collectively "Robson Utilities") filed a Motion to
11 Intervene.

12 On May 31, 2006, Gallup Financial, LLC filed a Motion to Intervene.

13 On June 1, 2006, Staff filed an insufficiency letter with respect to Global's application.

14 On June 1, 2006, Palo Verde and Santa Cruz filed a Response in Support of the Motion to
15 Intervene by Robson Utilities.

16 On June 1, 2006, CHI Construction, which was granted intervention in this matter on May 15,
17 2006, filed a Motion to Exclude the Property of CHI from the requested extension area.

18 On June 1, 2006, CP Water filed a Motion to Exclude CP from the requested extension area.

19 On June 7, 2006, Staff filed an Objection to the Motion to Intervene by Robson Utilities.

20 On June 12, 2006, Robson Utilities filed a Reply in Support of its Motion to Intervene.

21 On June 13, 2006, by Procedural Order, Gallup Financial, LLC was granted intervention in
22 this matter.

23 On June 20, 2006, AWC filed a Response to CHI's and CP's Motions to Exclude Territory
24 from Requested Extension Area.

25 On June 23, 2006, Staff filed a Sufficiency Letter in this docket indicating that Global's
26 application had met the sufficiency requirements as outlined in the Arizona Administrative Code.

27 On June 23, 2006, Santa Cruz and Palo Verde filed a Motion to Vacate the Consolidation and
28 a Motion to Dismiss the Application filed by AWC.

1 On July 10, 2006, by Procedural Order, Robson's Motion to Intervene was denied and a
2 procedural conference was scheduled for July 27, 2006.

3 On July 27, 2006, the procedural conference was held as scheduled. The parties agreed to a
4 continuance of the procedural conference and other procedural deadlines were set.

5 On July 28, 2006, Robson Utilities filed a Motion for Reconsideration on Denial of Request
6 for Intervenor Status. Also on this date, Staff filed a Sufficiency Letter in this docket indicating that
7 AWC's application had met the sufficiency requirements as outlined by the Arizona Administrative
8 Code.

9 On July 31, 2006, a Procedural Order was issued setting various dates; however, the
10 Procedural Order inadvertently misstated some of the dates and an Amended Procedural Order was
11 issued on August 7, 2006.

12 On August 7, 2006, by Procedural Order, a procedural conference was scheduled and various
13 deadlines were established.

14 On August 15, 2006, the procedural conference was held as scheduled to hear oral argument
15 on Global's Motion to Dismiss AWC's Application and Global's Motion to Vacate Consolidation
16 and/or to Sever. At hearing, Global, AWC and Staff appeared through counsel. After consideration
17 of the pleadings filed and arguments presented at the Procedural Conference, Global's Motion to
18 Dismiss AWC's Application and Global's Motion to Vacate Consolidation and/or Sever, were
19 denied.

20 On September 12, 2006, by Procedural Order, the evidentiary portion of the hearing was
21 scheduled and filing deadlines were established.

22 On September 27, 2006, a Procedural Conference was held to hear oral argument on CP
23 Water and CHI Construction's Motions to be excluded from AWC's proposed CC&N extension. At
24 the Procedural Conference, the parties agreed to continue the oral argument so that parties could
25 engage in further settlement negotiations. It was further agreed that oral argument on this issue
26 would reconvene on October 27, 2006.

27 On September 29, 2006, Staff filed a Motion for an Extension to file its Staff Report until
28 settlement discussions are concluded.

1 On October 3, 2006, Global filed its Response to Staff's Motion for an Extension.

2 On October 4, 2006, AWC filed its Response to Staff's Motion for an Extension of Time.

3 On October 12, 2006, Staff's request for an Extension of Time was granted by Procedural
4 Order.

5 On October 26, 2006, Staff filed its Staff Report in this matter.

6 On October 27, 2006, oral argument was heard on CHI Construction and CP Water's Motions
7 to be excluded from AWC's request for a CC&N extension.

8 On November 6, 2006, the parties filed a Joint Motion to Amend Procedural Schedule
9 ("Motion"). No objections to the Joint Motion have been filed.

10 IT IS THEREFORE ORDERED that the evidentiary hearing currently scheduled to
11 commence on **December 13, 2006 at 10:00 a.m.** shall be for **public comment only** and the
12 evidentiary portion of the hearing shall be reset to begin on **March 5, 2007 at 10:00 a.m. and**
13 **continue through March 8, 2007. The hearing shall reconvene the week of March 12, 2007.**
14 The hearing shall be held at the Commission's offices, at 1200 West Washington, Phoenix, Arizona
15 85007.

16 IT IS FURTHER ORDERED that a **pre-hearing conference shall be held on February 28,**
17 **2007 at 10:00 a.m.,** at the Commission's offices in Phoenix, Arizona for the purpose of discussing
18 the scheduling of witnesses and the conduct of the hearing.

19 IT IS FURTHER ORDERED that **any intervenor testimony shall be filed by December 26,**
20 **2006.**

21 IT IS FURTHER ORDERED that **Staff shall file a Supplemental Staff Report and/ or**
22 **testimony by December 26, 2006** providing additional support for its three optional
23 recommendations, giving consideration to recent Commission Decisions regarding requests for
24 service in CC&N extension areas, as well as any other matters it wishes to address since the filing of
25 its October 26, 2006 Staff Report.

26 IT IS FURTHER ORDERED that **AWC, Global and the intervenors shall file their**
27 **Responses to the Staff Report and subsequent Staff testimony on or before January 26, 2007.**
28 The Responses may be in the form of rebuttal testimony, and shall include any associated exhibits.

1 IT IS FURTHER ORDERED that **any substantive corrections, revisions, or supplements**
2 **to pre-filed testimony, the Staff Report or Responsive testimony shall be reduced to writing and**
3 **filed no later than February 14, 2007.**

4 IT IS FURTHER ORDERED that discovery shall be permitted by law and the rules and
5 regulations of the Commission, except that : for discovery requests made through **February 1, 2007**,
6 any objection to discovery requests shall be made within 5 days¹ of receipt and responses to
7 discovery requests shall be made within 7 days of receipt; thereafter, objections to discovery requests
8 shall be made within 3 days and responses shall be made in 3 days, the response time may be
9 extended by mutual agreement of the parties involved if the request requires an extensive compilation
10 effort; and **no discovery requests shall be served after February 28, 2007.**

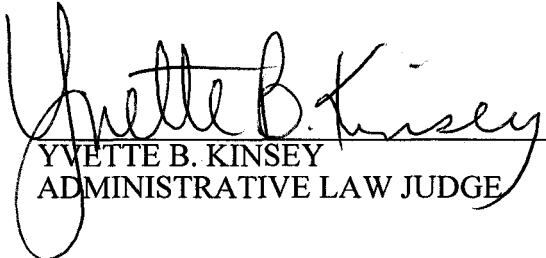
11 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel
12 discovery, any party seeking discovery may telephonically contact the Commission's Hearing
13 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a
14 request, a procedural hearing will be convened as soon as practicable; and that the party making such
15 a request shall contact all other parties to advise them of the hearing date and shall at the procedural
16 hearing provide a statement confirming that the other parties were contacted.²

17 IT IS FURTHER ORDERED that pursuant to the September 12, 2006 Procedural Order all
18 other procedural deadlines shall remain the same.

19 IT IS FURTHER ORDERED that the time-clock in this matter is extended accordingly.

20 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
21 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

22 Dated this 29th day of November, 2006.

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26 YVETTE B. KINSEY
ADMINISTRATIVE LAW JUDGE

27 ¹ "Days" means calendar days.

28 ² The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking Commission resolution of the controversy.

1 Copies of the foregoing mailed/delivered
2 this 29th day of November, 2006 to:

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